MOTION BY SUPERVISORS DON KNABE AND YVONNE B. BURKE

September 21, 2004

In 1998, the 16 cities in the South Bay area south of Imperial Boulevard and the Los Angeles International Airport were advised by the California Public Utilities Commission (CPUC) that efforts were underway to split the "310" area code, and to anticipate a new "424" area code for all residents and businesses. Since this proposal would have imposed a great expense on the business community and cause disruption, as well as an impact on our economy, the South Bay Cities Council of Governments, as well as other elected officials in the region began asking questions about the implementation of a 310/424 area code split.

On September 23, 2004 the CPUC will address this issue in an open public forum at its headquarters in San Francisco. The 310/424 area code split is not necessary at this time due to the following factors: (1) number pooling introduced in 2000, (2) increase contamination rate enacted in August 2003 and (3) local number portability enacted in November 2003 which has allowed for better control of the number blocks allocated to phone service carriers. These conservation efforts are already producing a positive impact on the number supply.

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Further investigation has revealed that there are over 2.1 million numbers out of a total of 7.9 million numbers that are available for assignment to customers in the "310" area code. This means there are more numbers available now than two years ago. Also, the CPUC Chairperson, Loretta Lynch, announced recently that paging carriers have 750,000 unused and available "310" numbers in their inventories, which are not included in the 2.1 million numbers sited above. It also has been shown that the "310" area code consumes approximately 30,000-31,000 numbers per month, but that no inventory procedures are in place to count the phone numbers that are surrendered or turned back in due to deaths, moves or other factors, such as customers surrendering their old land lines and staying strictly with a cell phone number.

The CPUC is obligated to implement reasonable guidelines before considering a split of the "310" area code. Section 7943 of the California Public Utilities Code requires that the CPUC implement all reasonable number conservation measures before approving an area code split. The Federal Communication Commission (FCC) has given the CPUC additional authority to implement number conservation measures in the "310" and "909" area codes until the area codes are split. These conservation measures have worked. The relief granted by the FCC stays in effect until the "310" area code splits, and therefore, the CPUC is empowered and obligated to adopt additional number conservation measures. The South Bay Cities Council of Governments and local, state, Federal elected officials, as well as our offices, have made recommendations to have the pager companies surrender half of their unused inventory, of which would produce enough numbers for "310" area code customers for at least another year. Other recommendations include a technology overlay (whereby machines, such as ATMs, gas pumps, cash registers, faxes, the STAR system in vehicles, etc.) are all using dedicated "310" area code numbers and could easily be transferred to another area code through a technology overlay. This request is currently pending at the FCC and if approved, would produce thousands of additional numbers, thereby extending the life of the "310" area code.

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The South Bay Cities Council of Governments is also working to have the CPUC adopt new inventory control procedures so that an area code is not split solely based on numbers being assigned to customers without considering the numbers that are surrendered.

In order to develop credible evidence that a split is required, the CPUC must have an opportunity to compile and analyze data which include the recent conservation measures. The last independent audit was conducted in 2001 before any of the very successful conservation measures were implemented. The fairest and most effective way to make an accurate estimation of the status of the life of the "310" area code is to address the numbers in the pool and to establish inventory control guidelines and include all carriers. If this requires further waivers from the FCC, the CPUC has the responsibility to seek such relief. The call from the cell carrier industry and other telephone companies for an area code split or an overlay of a new umbrella area code is premature and, with conservation programs, may never be needed.

WE, THEREFORE MOVE, that the Administrative Law Judge's opinion that calls for an immediate implementation of a 310/424 area code split is premature and is not built on the very successful conservation measures that the CPUC has already adopted. We are in support of the alternative opinion written by Commissioner Loretta Lynch opposing the "310" area code split at this time and direct the Chief Administrative Officer to send correspondence via fax and e-mail to each CPUC Commissioner for the upcoming September 23, 2004 meeting urging support of Commissioner Lynch's alternative decision.

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